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**TOWN OF GLEN, MISSISSIPPI  
COMPILATION REPORT  
AND  
REPORT ON AGREED-UPON PROCEDURES  
SEPTEMBER 30, 2019**



**Certified Public Accountants**

**TOWN OF GLEN, MISSISSIPPI**  
**Table of Contents**  
**September 30, 2019**

<u>Description</u>	<u>Page Number</u>
Independent Accountants' Compilation Report	1-2
BASIC FINANCIAL STATEMENTS:	3
Statement of Cash Receipts and Disbursements – Governmental Activities	4
Notes to the Financial Statements	5-7
SUPPLEMENTARY INFORMATION:	8
Schedule of Investments	9
Schedule of Capital Assets	10
Schedule of Long-Term Debt	11
Schedule of Surety Bonds for Municipality Officials	12
INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS	13
Independent Accountants' Report on Compliance with State Laws and Regulations	14
INDEPENDENT ACCOUNTANTS' REPORT ON AGREED-UPON PROCEDURES	15
Independent Accountants' Report on Agreed-Upon Procedures	16-17



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## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Honorable Mayor and Board of Alderpersons of the  
Town of Glen, Mississippi

Management is responsible for the accompanying Statement of Cash Receipts and Disbursements – Governmental Activities of the Town of Glen, Mississippi for the year ended September 30, 2019, and the related notes to financial statement, which collectively comprise the Town's basic financial statements as listed in the table of contents, in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review that Statement of Cash Receipts and Disbursements – Governmental Activities nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the Statement of Cash Receipts and Disbursements – Governmental Activities.

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The Statement of Cash Receipts and Disbursements – Governmental Activities is prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

Management has omitted the Management's Discussion and Analysis that accounting principles general accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The supplementary information contained in pages 8 through 12 is presented in compliance with the requirements of the Mississippi Office of the State Auditor and has been compiled from information that is the representation of management. This information was subject to our compilation engagement; however, we have not audited or reviewed the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

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Muscle Shoals, Alabama  
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Booneville, Mississippi  
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Corinth, Mississippi  
Phone: (662)286-7082

Iuka, Mississippi  
Phone: (662)423-5057

*Other Information*

The Statement of Cash Receipts and Disbursements – Governmental Activities and related notes to financial statement are intended to comply with the requirements of the Mississippi Office of the State Auditor, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

In accordance with the provisions of §21-35-31, Miss Code Ann. (1972), we have issued a report dated August 5, 2020 on the results of our agreed-upon procedures.

*The Sparks CPA Firm, P.C.*

The Sparks CPA Firm, P.C.  
Certified Public Accountants  
Iuka, Mississippi  
August 5, 2020

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF GLEN, MISSISSIPPI**  
**Statement of Cash Receipts and Disbursements -**  
**Governmental Activities**  
**For the Year Ended September 30, 2019**

	Governmental Activities		
	General	Fire	
	Fund	Fund	Totals
<b>RECEIPTS</b>			
ACE Power Assn	\$ 5,877	\$ -	\$ 5,877
Privilege License	200	-	200
Miscellaneous Receipts	4,368	-	4,368
Intergovernmental Revenues:			
MS Code	205	-	205
State Shared Revenues:			
Sales taxes	58,669	-	58,669
Gasoline Tax	1,236	-	1,236
Railcar Tax	12,804	-	12,804
Fire Insurance Rebate	2,432	-	2,432
Other Aid: Fire Truck Purchase	-	70,000	70,000
Federal Revenue:			
TVA in Lieu Tax	2,496	-	2,496
Total Receipts	<u>88,287</u>	<u>70,000</u>	<u>158,287</u>
<b>DISBURSEMENTS</b>			
General Government	<u>114,445</u>	<u>-</u>	<u>114,445</u>
Total Disbursements	<u>114,445</u>	<u>-</u>	<u>114,445</u>
Excess (Deficiency) of receipts and other financing sources over disbursements and other financing uses	(26,158)	70,000	43,842
<b>CASH BALANCE - BEGINNING OF YEAR</b>	<u>141,835</u>	<u>-</u>	<u>141,835</u>
<b>CASH BALANCE - END OF YEAR</b>	<u>\$ 115,677</u>	<u>\$ 70,000</u>	<u>\$ 185,677</u>

See accompanying notes and independent accountants' compilation report.

**TOWN OF GLEN, MISSISSIPPI**  
**Notes to Financial Statement**  
**September 30, 2019**

**Note 1: Summary of Significant Accounting Policies**

**Reporting Entity**

The financial statement of the Town consists of all the funds of the Town.

The Citizens of Glen have elected to operate under a Code Charter as permitted by Mississippi Statute 21-3-3, which prescribes a Mayor and Board of Aldermen form of government.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America. The basic – but not only – criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financial relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no includable or excludable potential component units.

**Fund Accounting**

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statement in this report, into one generic fund type and two broad fund categories as follows:



**TOWN OF GLEN, MISSISSIPPI**  
**Notes to Financial Statement**  
**September 30, 2019**

**Note 1: Summary of Significant Accounting Policies (Continued):**

**Governmental Funds:**

**General Fund** – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

**Fire Fund** – the Fire Fund is a special purpose fund used to account for monies received from the state and remitted to the fire department.

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Town uses the cash basis of accounting as prescribed by the Mississippi Office of the State Auditor.

In the fund financial statements, governmental activities are presented using the cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues and expenditures/expenses when they result from cash transactions with a provision for depreciation in the proprietary fund statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

If the Town utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Under the modified accrual basis revenues are recognized when measurable and available. Measurable means, being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

Under the accrual basis revenues are recognized when earned. Expenses (including depreciation and amortization) are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange takes place.

**TOWN OF GLEN, MISSISSIPPI**  
**Notes to Financial Statement**  
**September 30, 2019**

**Note 2: Report Classifications**

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

## **SUPPLEMENTAL INFORMATION**

**TOWN OF GLEN, MISSISSIPPI**  
**Schedule of Investments**  
**September 30, 2019**

The Town of Glen did not have any investments during the fiscal year.

See accompanying notes and independent accountants' compilation report.

**TOWN OF GLEN, MISSISSIPPI**  
**Schedule of Capital Assets**  
**September 30, 2019**

The Town of Glen did not account for capital assets during the fiscal year.

See accompanying notes and independent accountants' compilation report.

**TOWN OF GLEN, MISSISSIPPI**  
**Schedule of Long-Term Debt**  
**September 30, 2019**

The Town of Glen did not have any long-term debt during the fiscal year.

See accompanying notes and independent accountants' compilation report.

**TOWN OF GLEN, MISSISSIPPI**  
**Schedule of Surety Bonds for Town Officials**  
**September 30, 2019**

<b>Name</b>	<b>Position</b>	<b>Surety</b>	<b>Amount</b>
David J. Derrick	Mayor	Travelers Casualty & Surety Company of America	\$ 25,000
Lynn Fielding	Town Clerk	Fidelity and Deposit Company of Maryland	\$ 50,000
James A. White	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
Frances J. Null	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
Ruth V. Sellers	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
Shirley D. Tutors	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000
David S. Derrick	Alderman	Travelers Casualty & Surety Company of America	\$ 10,000

See accompanying notes and independent accountants' compilation report.

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH  
STATE LAWS AND REGULATIONS**





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## INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

To the Honorable Mayor and Board of Aldermen  
and Office of the State Auditor, State of Mississippi

We have compiled the accompanying Statement of Cash Receipts and Disbursements – Governmental Activities, Schedule of Investments, Schedule of Capital Assets, Schedule of Long-Term Debt, and Schedule of Surety Bonds for Town Officials, of the Town of Glen, Mississippi, as of and for the year ended September 30, 2019, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

We have performed procedures to test compliance with certain state laws and regulations as described by the Municipal Compliance Questionnaire that is prescribed by the Office of the State Auditor. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures and our compilation of the accompanying Statement of Cash Receipts and Disbursements – Governmental Activities, Schedule of Investments, Schedule of Capital Assets, Schedule of Long-Term Debt, and Schedule of Surety Bonds for Municipality Officials, for the Town of Glen, Mississippi, for the year ended September 30, 2019 disclosed no material instances of noncompliance with the state laws and regulations.

This report is intended for the information of the Town of Glen, Mississippi's management and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

*The Sparks CPA Firm, P.C.*

The Sparks CPA Firm, P.C.  
Certified Public Accountants  
Iuka, Mississippi  
August 5, 2020

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## **SPECIAL REPORT**



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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Mayor and Board of Aldermen of the  
Town of Glen, Mississippi

We have performed the procedures enumerated below, which were agreed to by the Office of the State Auditor, to the accounting records of the Town of Glen, Mississippi, solely to assist the Office of the State Auditor in evaluating the Town of Glen, Mississippi's compliance with certain laws and regulations as of September 30, 2019, and for the year then ended. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Office of the State Auditor, State of Mississippi. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We reconciled cash on deposit with the following bank to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank. No exceptions were noted.

Bank	Fund	Balance per Bank	Balance per General Ledger
Renasant Bank	General Fund	\$ 184,096	185,677
Total All Funds		\$ 184,096	185,677

2. The Town held no securities for investment for the year ended September 30, 2019.
3. The Town collected no taxes on real or personal property (including motor vehicles) during the year ended September 30, 2019.
4. We obtained a statement of payments made by the Department of Finance and Administration to the Town. Payments indicated were traced to deposits in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

Florence, Alabama  
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Payment Purpose	Receiving Fund	General Ledger Amount
General Municipal Aid	General	\$ 205
Sales Tax Allocation	General	58,669
TVA Payments in Lieu of Taxes	General	2,496
Gasoline Tax	General	1,236
Other Aid	General	70,000
Fire Protection Allocation	General	2,432
	Total	\$ 135,038

5. We selected a sample of purchases made by the Town during the fiscal year. Each sample item was evaluated for proper approval and compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items	24
Total Dollar Value of Sample	\$82,913

We found the Town's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.

6. The Town collected no fines or forfeitures during the year ended September 30, 2019.
7. We have read the Municipality's Compliance Questionnaire completed by the Town. We did not find any noncompliance.
8. We performed procedures to test compliance with certain other state laws and regulations, specifically relating to budgeting, vehicle markings, surety bonds, transfer payments, depositories, investments, debt issuance, privilege taxes, and capital assets. We did not find any noncompliance.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion on management's compliance with laws and regulations. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Office of the State Auditor, State of Mississippi and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited

*The Sparks CPA Firm, P.C.*

The Sparks CPA Firm, P.C.  
 Certified Public Accountants  
 Iuka, Mississippi  
 August 5, 2020